

**MINUTES OF THE
ECONOMIC DEVELOPMENT AND REVENUE
APPROPRIATIONS SUBCOMMITTEE**

Room W140 West Office Building, State Capitol Complex

January 24, 2008

Members Present: Sen. Bill Hickman, Co-Chairman
Rep. Sheryl Allen, Co-Chairman
Sen. Gene Davis
Rep. Jim Bird
Rep. Jackie Biskupski
Rep. Julie Fisher
Rep. Steven R. Mascaro

Members Excused: Sen. Dan Eastman

Staff Present: Dr. Andrea Wilko, Chief Economist
Dr. Thomas Young, Economist
Jennifer Eyring, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Allen called the meeting to order at 2:13 p.m.

Division of State Library

Dr. Andrea Wilko gave an overview of the Budget Brief for the Division of State Library. The Division is comprised of four areas; Administration, Services for the Blind and Physically Handicapped, Library Development, and Library Resources. The Division has requested \$23,000 to add satellite dishes and other hardware to the Bookmobile program. This would provide rural communities with information online and facilitate circulation records. The Division has requested that their Dedicated Credit authorization be increased by \$57,000 in the supplemental year and \$115,000 in FY 2009. This would be used to inspect, test, and repair audio cassette machines in coordination with the Library of Congress. The Division has requested \$65,000 for the change in catalog systems required when the previous vendor discontinued support. Library Resources houses Public PIONEER and library resource grants. Dr. Wilko reviewed the accountability details of the Library areas and the increase in use of library resources. The recommended base budget is \$9,081,100, with \$5,195,700 from the General Fund and the rest coming from Federal Funds and Dedicated Revenue.

Donna Jones Morris, Director, Division of State Library, introduced Terry Ann Harward, Chair, State Library Board.

Terry Ann Harward spoke on the role of libraries and the benefits they bring to the citizens of the state. Appreciation was expressed to the committee for the funds received for libraries.

Donna Jones Morris introduced Bela Vastag, Financial Manager, Division of State Library, to help provide a PowerPoint presentation on the Division's work and budget requests. A packet was provided the committee containing the history of the Utah State Library and other library information. The Division is requesting a base budget of \$9,081,100 and requested nonlapsing authority. New funding requests include \$23,000 one-time funds for Bookmobile internet access, \$65,000 ongoing funds for the Library Catalog software upgrade, and \$55,000 ongoing funds for the PIONEER online library. A request for an increase in Dedicated Credit authority of \$57,600 Supplemental and \$115,100 for next year was made for cassette player testing and repair. Questions from the committee concerning this program were addressed.

The services provided and base budgets for each of the four areas were discussed. Bessie Oakes, Program Manager, Services for the Blind and Disabled, was introduced. Utah State Library contracts out with 21 states for Blind and Disabled Services. Volunteers provide a valuable service to the program. Cheryl Mansen, Deputy State Librarian, Program Manager, Library Development and Jeri Openshaw, Public Information Specialist, were introduced.

Ray Matthews, Government Information Coordinator, answered committee questions.

Rep. Allen relinquished the chair to Sen. Hickman.

Donna Morris introduced Craig Neilsen, Library Resources Program Manager. PIONEER online library and digitization projects were discussed.

Ray Matthews spoke on the PIONEER digitization project entitled Utah Government Publications Online. Publications include state agencies, city, county, and university publications. Questions from the committee concerning duplication of services were addressed. Benefits of online services were reviewed.

Sen. Hickman recognized Governor Olene Walker in the audience.

Pete Giacomini, Director, Davis County Library, spoke about the benefits of library services online and throughout the state and addressed questions from the committee.

Kimberly Bray, Chair, Utah Library Association Legislative Committee, spoke about the benefits of libraries to Utah's citizens and the benefit of the State Library to local libraries.

Housing and Community Development

Dr. Wilko gave an overview of the Division of Housing and Community Development line item and capital budgets from the prepared Budget Briefs. Issue Briefs were also provided on the 10 Year Plan to End Chronic Homelessness and Affordable Housing. The Division focuses resources in three areas. Housing and Community Development provides support to the Olene Walker Housing Loan Fund and other housing programs that are mainly Federally funded. Mineral lease programs comprise the majority of the Community Development Capital budget. The Community Services Office provides services to community programs that help people become more self sufficient. HCD also administers the Office of Ethnic Affairs and the Commission on Volunteers. It has been recommended that the Faith Based Initiatives funding be made a separate program in the amount of \$500,000 Federal funds. It is recommended that the Commission on Volunteers Dedicated Credit authority be raised by \$200,000 for FY 2008 and FY 2009. The Office of Ethnic Affairs has requested their Dedicated Credit authority be increased by \$147,000 for FY 2008 and FY 2009. Affordable housing and the 10 year plan to end chronic homelessness are also major focuses of the Division. The recommended base budget for the Division is \$7,761,200 from the General Fund.

Gordon Walker, Director, Division of Housing and Community Development, introduced Keith Burnett, Mineral Lease Fund Manager, Mike Johnson, Weatherization, Mike Glenn, Housing, Kathy Hyde Smith, Executive Director, Commission on Volunteers, Governor Olene Walker, Shelli Goble, Director, Olene Walker Housing Loan Fund, Keith Heaton, Community Development Block Grants, Kimberly Schmeling, Budget Officer, Katherine Smith, Deputy Director, and Faith Based and Community Initiative Office, Candace Powers, Community Impact, Kirsten Stewart, and Sharon Young. Appreciation was expressed for the excellent staff.

The Division requested that all funds be nonlapsing. The Division is requesting \$600,000 ongoing funds and \$1,000,000 supplemental funds for the Olene Walker Housing Loan Fund. The supplemental request is to purchase a piece of property. The Division is requesting \$1,000,000 new ongoing funds for the Pamela Atkinson Homeless Fund. Pamela Atkinson was recognized in the audience. The request for the Weatherization program is \$250,000 ongoing funds. A request was made for \$100,000 one time funds for the Earned Income Tax Credit program. Questions from the committee were addressed.

Governor Olene Walker spoke about the background and purpose of the Olene Walker Housing Loan Fund and asked the committee to consider appropriating adequate funding.

Gordon Walker gave some updates on the performance of the Olene Walker Housing Loan Fund and will be providing the committee with a package of specific data at the upcoming meeting. Gloria Froerer, Board, Olene Walker Housing Loan Fund, was recognized. The Permanent Community Impact Board, Community Development Block Grants and the Private Activity Bond Board were briefly discussed.

Sen. Hickman relinquished the chair to Rep. Allen.

The Commission on Volunteers programs and accomplishments were highlighted, including the work that was done at the rededication of the Capitol Building. Questions from the committee about the effect of sub-prime loan problems on the state were addressed.

Tara Rollins, Utah Housing Coalition, provided a handout to the committee and discussed the Olene Walker Housing Loan Fund. Projects accomplished through the fund were highlighted along with letters of appreciation. The committee was asked to keep funding the project.

Rep. Fisher moved to adjourn the meeting. The motion was approved unanimously.

Rep. Allen adjourned the meeting at 3:57 p.m.

Sen. Bill Hickman, Co-Chair

Rep. Sheryl L. Allen, Co-Chair